

STATE OF MICHIGAN



JAMES J. BLANCHARD, Governor

DEPARTMENT OF TREASURY

ROBERT A. BOWMAN, State Treasurer

STATE TAX COMMISSION

4th Floor Treasury Building

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COMMISSION MEMBERS

WARD G. DEXEL
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TO: Assessing Officers and County Equalization Directors

FROM: Michigan State Tax Commission

SUBJECT: Certified Prevailing Institutional Lending Rates of Interest
for the Period April 1983 through March 1985 Expressed as
Percentages

1983

	<u>Residential</u>	<u>Commercial/Industrial</u>	<u>Agricultural</u>	
April	12.36	12.52	12.45	April
May	12.09	12.32	12.45	May
June	11.98	12.06	12.45	June
July	12.00	12.31	11.93	July
August	12.05	12.76	11.93	August
September	11.90	12.91	11.93	September
October	11.35	13.05	11.93	October
November	11.37	12.86	11.93	November
December	11.08	12.82	11.93	December

1984

	<u>Residential</u>	<u>Commercial/Industrial</u>	<u>Agricultural</u>	
January	10.85	12.86	11.93	January
February	10.82	12.78	11.93	February
March	10.71	12.82	11.93	March
April	11.09	13.29	11.93	April
May	10.93	13.35	11.93	May
June	11.11	13.78	11.93	June
July	11.81	14.18	12.71	July
August	12.17	14.33	12.71	August
September	12.25	14.12	12.71	September
October	12.28	13.40	12.71	October
November	12.03	13.03	12.71	November
December	11.97	12.58	12.71	December

1985				
	<u>Residential</u>	<u>Commercial/Industrial</u>	<u>Agricultural</u>	
January	11.90	12.66	12.71	January
February	11.78	12.39	12.71	February
March	11.80	12.51	12.71	March

Note: The use of these rates is discussed in Bulletin No. 11 dated October 14, 1985. In part it states that an "instrument with a down payment of at least 10% of the purchase price and with the interest rate within 1% of the prevailing rate certified by the STC for that period shall be considered a conventional sale." Therefore, a land contract whose interest rate is more than one percentage point lower than the certified prevailing rate for the time of sale would be considered to be creative financing.